

RESOLUTION NO. 6094

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL ADOPTING SELECTED SALARY RANGES AND JOB TITLES FOR MANAGEMENT, PROFESSIONAL AND CONFIDENTIAL EMPLOYEES. THIS RESOLUTION RESCINDS RESOLUTION 6061.

WHEREAS, the City Manager has presented to the City Council of the City of Morgan Hill a recommended set of salary ranges and benefits for the Management, Professional and Confidential employees; and

WHEREAS, the City Council of the City of Morgan Hill has reviewed said recommendations;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morgan Hill as follows:

SECTION 1 – SALARY RANGES

- A. These separate salary ranges are hereby established effective July 1, 2007 and reflect a three percent (3%) increase over the ranges established December 31, 2006. The separate salary ranges in Attachment A are hereby established effective December 30, 2007 and reflect a two-percent (2%) increase over the ranges established July 1, 2007.
- B. Group 1-A and 1-B base salary ranges include the 7% employee (or 9% for Public Safety Employees) PERS contribution which is deducted from payroll.
- C. Group 1-C base salary ranges do not include the 7% employee PERS contribution, however, the City will report the value of employer paid member contributions to CalPERS as additional compensation.

JOB CLASSIFICATION	SALARY RANGE		
Executive Management - Group 1-A	Bottom	Top	Performance Pay
Chief of Police	\$10,225	\$12,785	\$13,105
Director of Business Assistance & Housing Services	\$10,035	\$12,550	\$12,860
Director of Community Development	\$10,035	\$12,550	\$12,860
Director of Finance	\$10,035	\$12,550	\$12,860
Director of Public Works/City Engineer	\$10,035	\$12,550	\$12,860
Human Resources Director	\$10,035	\$12,550	\$12,860
Recreation and Community Services Director	\$10,035	\$12,550	\$12,860
Assistant to the City Manager	\$8,655	\$10,820	\$11,100
Council Services and Records Manager	\$7,650	\$9,560	\$9,795

Middle Management - Group 1-B	Bottom	Top	Performance Pay
Deputy Director of Public Works	\$8,655	\$10,820	\$11,100
Program Administrator	\$8,655	\$10,820	\$11,100
Police Commander	\$8,225	\$10,285	\$10,550
Assistant Director of Finance	\$7,650	\$9,560	\$9,795
Chief Building Official	\$7,650	\$9,560	\$9,795
Planning Manager	\$7,650	\$9,560	\$9,795
Senior Civil Engineer	\$7,650	\$9,560	\$9,795
Senior Project Manager/Community Buildings	\$7,650	\$9,560	\$9,795
Senior Project Manager/Public Works	\$7,650	\$9,560	\$9,795
Police Support Services Manager	\$7,080	\$8,855	\$9,080
Utility Systems Manager	\$7,080	\$8,855	\$9,080
Budget Manager	\$6,590	\$8,240	\$8,445
Business Assistance and Housing Services Manager	\$6,590	\$8,240	\$8,445
Senior Planner*	\$6,590	\$8,240	\$8,445
Project Manager	\$6,590	\$8,240	\$8,445
Sr. BAHS Coordinator	\$5,965	\$7,250	\$7,605
Recreation Supervisor	\$5,550	\$6,930	\$7,100
Office of Emergency Services (OES) Coordinator	\$5,060	\$6,325	\$6,490
Secretary to the City Manager	\$4,785	\$5,980	\$6,135
Confidential Non-Exempt Employees - Group 1-C	Bottom	Top	Performance Pay
Administrative Analyst	\$5,060	\$6,325	\$6,490
Secretary to the City Attorney	\$4,785	\$5,980	\$6,135
Accounting Technician	\$4,240	\$5,300	\$5,430
Human Resources Assistant	\$3,220	\$4,045	\$4,135

- * The Senior Planner job description incorporates the ability to add special assignments to the Senior Planner position to manage considerably more responsible and/or more complex duties. When such duties are assigned to the Sr. Planner position a salary enhancement of ten percent (10%) is added to the salary range.

SECTION 2 — ESTABLISHMENT OF COMPENSATION GROUPS 1-A, B, and C

- A. The City Manager will establish the monthly compensation for the classifications in Group 1-A within the prescribed ranges and may adjust or maintain the level of compensation within the prescribed range. The City Manager has the authority to increase the monthly compensation for employees in Group 1-A by a maximum of 10% each fiscal year based on each executive manager's performance and the authority to hold a manager's monthly pay rate at its current rate.

- B. Each Department Director will recommend to the City Manager the proposed monthly salary to be paid to each of the employees whose classification appears in Group 1-B, and C. Upon approval of the City Manager, the monthly salary will be set within the prescribed range for each classification. The City Manager has the authority to increase the monthly compensation for employees in Group 1-B and C, by a maximum of 10% each fiscal year based on each individual employee's performance.
- C. For employees listed in Groups 1-A, B, and C, the last 2.5% of the salary range has been designated as performance bonus pay. Employees are eligible to have their base salary set in the last 2.5% of their respective range provided they have progressed to the end of their salary range and receive and maintain above average performance as identified by their performance evaluation. The criteria for above average performance evaluations are as follows: at least half of the rating factors must be scored at the "Exceeds Expectations" level and no rating factor can be scored at the "not satisfactory" level.
- D. For employees listed in Groups 1-A, B, and C, the City will contribute to a City-sponsored IRS 457 deferred compensation program of the employee's choice (ICMA or Hartford) according to the following schedule:
 - 1. 3% of base salary per pay period for employees who have been employed with the City for up to four years.
 - 2. 4% of base salary per pay period for employees who have been employed with the City from four to eight years.
 - 3. 5% of base salary per pay period for employees who have been employed with the City for over eight years.

SECTION 3 —CONTRIBUTIONS TO THE PERS RETIREMENT SYSTEM, GROUPS 1-A, B, and C

- A. Non-Safety employees listed in Groups 1-A, B, and C will receive PERS retirement benefits under the 2% at 55 plan. Effective June 18, 2006 the City will offer the PERS 2.5% @ 55 retirement program for non-safety employees. Employees will pay the additional 1% employee contribution rate for the 2.5% @ 55 retirement program. Should the employer contribution rate increase above the 14.753% as stated in the CalPERS Actuarial Statement dated June 14, 2005, management/confidential employees will pay 25% of the increase.
- B. Safety employees listed in Groups 1-A and B, will receive PERS retirement benefits under the 3% at 50 plan.

SECTION 4 — HEALTH CARE CONTRIBUTIONS AND IRS 125 PLAN, GROUPS 1-A, B, and C

A. City Health Insurance Contributions

For family health care allowance, City will pay 90% of the total cost of the lowest cost

PEMHCA medical plan, plus dental

For employee plus one dependent, City will pay 96.5% of the total cost of the lowest cost PEMHCA medical plan, plus dental

At the time when the lowest cost medical plan plus dental coverage exceeds the \$610 health care allowance, the City shall provide one-hundred percent (100%) of the lowest cost medical health plan plus dental.

Medical and/or dental in-lieu pay will be \$610 per month.

Employees listed in Groups 1-A, B, and C who do not use their full health allowance may use their surplus amount for optional benefits such as cancer or heart/stroke insurance premiums, vision, long term care insurance, or for participating in medical reimbursement or dependent care expense accounts. If employees do not use their surplus for optional benefits, it will be added to their salary as taxable income.

- B. The City will continue to provide coverage under the Concern Employee Assistance Program.
- C. The City will continue to offer an IRS 125 program.

SECTION 5 – GENERAL BENEFIT PROVISIONS, GROUPS 1-A, B AND C

The City will comply with the requirements of the City Personnel Rules and Regulations and the Fair Labor Standards Act governing the use of taking and reporting time off work for management employees.

A. Sick Leave Accrual

1. Sick Leave credit for employees will be accumulated on the basis of eight hours of sick leave per month. (96 hours per year)
2. The City will, at the end of each calendar year, pay each employee twenty-five (25%) percent of the unused sick leave earned that year unless the employee requests not to receive such a payment.
3. The balance of the unused sick leave will then be accumulated on an unlimited basis.
4. Upon retirement, 100% of the employee's unused sick leave balance will be credited to the employee's retirement eligibility. This amount would then be converted into time in service and added to the employee's retirement eligibility. (Reference - City contract with PERS, Section 20862.8)
5. Each employee may take 16 hours of personal leave time during the fiscal year which is charged against the current year's sick leave accrual.
6. The City Manager may negotiate establishing a leave "bank" with new employees at time of hire.

B. Holidays

1. The City will grant the following paid holidays to employees listed in Groups 1-A, B, and C:

New Year's Day
Martin Luther King, Jr. Day
President's Day
Cesar Chavez Day
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Day after Thanksgiving
Christmas Eve
Christmas Day

One-half day holiday to be observed on either the half-day preceding the Christmas Eve or the New Year's Day holiday;

Two floating holidays (These two floating holidays must be used during the fiscal year);

2. Holidays are worth eight (8) hours of time off; employees on alternate work schedules must use additional leave balances to receive full pay on a holiday.
3. With the approval of the employee's supervisor, employees may "float" holidays to another day within the same fiscal year provided they work on the holiday.

C. Vacation Leave Accrual

1. Each employee listed in Groups 1-A, B, and C will be credited vacation on the basis of 120 hours per year for the first five (5) years of City service. After five (5) years of service, vacation will be credited on the basis of 160 hours per year.
2. The maximum accumulation of vacation will be no more than that earned for two years.
3. Additional vacation accrual will not be provided until the employee's vacation balance drops below the maximum accrual limit.
4. Employees listed in Groups 1-A, B, and C may cash out up to 120 hours of accrued vacation leave per fiscal year.
5. The City Manager may negotiate vacation accrual rates and/or establishing a leave "bank" with new employees at time of hire.

D Administrative Leave, Groups 1-A and B

1. Employees listed in Groups 1-A and B receive and may use up to 72 hours administrative leave with pay per fiscal year.
2. Administrative leave time for employees in Groups 1-A and B will be available for one additional year if not used in the fiscal year that it was initially available. If, however, the administrative leave time that was carried over to the following fiscal year is not used during the second year, it will be lost at the end of the second fiscal year. In effect, the maximum amount of administrative leave time that may be available to an employee at any given time is 144 hours.
3. Employees listed in Groups 1-A and B may cash out up to 120 hours of combined accrued vacation or administrative leave per fiscal year.

E. Professional Development

It shall be the philosophy of the City to encourage employees to attend classes, seminars, conferences, etc. which will enable the employee to develop professionally. Such attendance must be approved by the Department Director and the City Manager. The City may request employees who complete such a course to report or train other employees in the skills they have attained.

1. Tuition Reimbursement Program

Employees listed in Groups 1-A, B and C are eligible to receive tuition reimbursement of up to \$1000 per fiscal year for the cost of books and tuition for classes or courses beneficial to the employee's career development. All classes must be approved in advance by the Department Director or City Manager. Reimbursement will take place upon a successful completion or passing of the course.

2. Membership Dues

For employees listed in Groups 1-A and 1-B, the City shall provide a personal membership dues reimbursement of up to \$250.00 per fiscal year for costs associated with joining and participating in Morgan Hill community service organizations such as Rotary, Kiwanis, or Chamber of Commerce. Reimbursement of membership dues for community service organizations other than those listed above requires the prior approval of the City Manager.

F. Life and Disability Insurance

The City shall pay the premiums for short-term disability, long-term disability and life insurance plans.

1. Life insurance levels shall be as follows for the employees listed in Section 1:

Group 1-A	\$ 250,000
Group 1-B	\$ 150,000
Group 1-C	\$ 75,000

2. Short-term disability coverage for employees in Groups 1-A, B, and C shall be at the maximum rate of \$925 per week based on 66 2/3% of the actual weekly salary after

an eight-day elimination period.

3. Long-term disability coverage for employees in Groups 1-A, B, and C shall be at the maximum rate of \$6,000.00 per month based on 66 2/3% of the actual monthly salary after a 60-day elimination period.

G. Retirement Medical Plan

Upon retirement, employees listed in Groups 1-A, B, and C may continue enrollment in the medical insurance plans provided by PERS without an interruption of coverage. Such enrollment will be contingent upon the employee meeting the requirements of the medical plans provided by PERS and paying the monthly premium to PERS at the employee's expense. It will be the employee's responsibility to make sure the insurance premium is paid to PERS before the due date. Failure to do so will result in the employee being terminated from their medical coverage.

H. Safety Employee Uniform Allowance

Safety employees in Groups 1-A and B will be eligible for the following uniform allowance:

Chief of Police and Police Commander:	\$980.00
Police Support Services Manager:	\$660.00

I. Work Schedule

The City Manager will establish the standard work schedule for employees listed in Groups 1-A, B and C. Based on the needs of the City, the City Manager may, at his/her discretion, change the work schedules of employees at any time.

J. Auto Allowance

The City Manager may establish a monthly allowance for selected employees listed in Group 1-A, and B who use their personal vehicles on City business. Based on the needs of the City, the City Manager may, at his/her discretion, change the auto allowance of employees at any time. The currently monthly allowance is as follows:

Director of Business Assistance and Housing	\$314
Director of Public Works	\$314
City Clerk/Council Services and Records Manager	\$214
Director of Community Development	\$214
Director of Finance	\$214
Director of Human Resources	\$214
Director of Recreation and Community Services	\$214
Deputy Director of Public Works	\$214
Assistant to the City Manager	\$214

K. Cell Phone Allowance

The City Manager may establish a monthly allowance for selected employees listed in Group 1-A, B, and C who use their personal cell phones on City business. Based on the needs of the City, the City Manager may, at his/her discretion, change the cell phone allowance of employees at any time. The currently monthly allowance is either \$65 or \$50 as established in Administrative Policy III-015.

SECTION 6 — EFFECTIVE DATE

This resolution shall be effective July 1, 2007. Compensation shall be made available to only those employees covered by this section who are still employed as a full-time management or confidential employee with the City as of the effective date of this agreement.

PASSED AND ADOPTED by the City Council of Morgan Hill at a Regular Meeting held on the 16th day of May, 2007, by the following vote.

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:

☞ CERTIFICATION ☞

I, IRMA TORREZ, CITY CLERK OF THE CITY OF MORGAN HILL, CALIFORNIA, do hereby certify that the foregoing is a true and correct copy of Resolution No. adopted by the City Council at the Regular Meeting on May 16, 2007.

WITNESS MY HAND AND THE SEAL OF THE CITY OF MORGAN HILL.

DATE: _____

IRMA TORREZ, City Clerk

ATTACHMENT A: Salaries effective 12/30/07 (2% increase)

JOB CLASSIFICATION	SALARY RANGE		
Executive Management - Group 1-A	Bottom	Top	Performance Pay
Chief of Police	\$10,430	\$13,040	\$13,365
Director of Business Assistance & Housing Services	\$10,235	\$10,800	\$13,115
Director of Community Development	\$10,235	\$10,800	\$13,115
Director of Finance	\$10,235	\$10,800	\$13,115
Director of Public Works/City Engineer	\$10,235	\$10,800	\$13,115
Human Resources Director	\$10,235	\$10,800	\$13,115
Recreation and Community Services Director	\$10,235	\$10,800	\$13,115
Assistant to the City Manager	\$8,830	\$11,035	\$11,320
Council Services and Records Manager	\$7,805	\$9,750	\$9,990
Middle Management - Group 1-B	Bottom	Top	Performance Pay
Deputy Director of Public Works	\$8,830	\$11,035	\$11,320
Program Administrator	\$8,830	\$11,035	\$11,320
Police Commander	\$8,390	\$10,490	\$10,760
Assistant Director of Finance	\$7,805	\$9,750	\$9,990
Chief Building Official	\$7,805	\$9,750	\$9,990
Planning Manager	\$7,805	\$9,750	\$9,990
Senior Civil Engineer	\$7,805	\$9,750	\$9,990
Senior Project Manager/Community Buildings	\$7,805	\$9,750	\$9,990
Senior Project Manager/Public Works	\$7,805	\$9,750	\$9,990
Police Support Services Manager	\$7,220	\$9,030	\$9,260
Utility Systems Manager	\$7,220	\$9,030	\$9,260
Budget Manager	\$6,720	\$8,405	\$8,615
Business Assistance and Housing Services Manager	\$6,720	\$8,405	\$8,615
Senior Planner*	\$6,720	\$8,405	\$8,615
Project Manager	\$6,720	\$8,405	\$8,615
Sr. BAHS Coordinator	\$6,085	\$7,395	\$7,755
Recreation Supervisor	\$5,660	\$7,070	\$7,240
Office of Emergency Services (OES) Coordinator	\$5,160	\$6,450	\$6,620
Secretary to the City Manager	\$4,880	\$6,100	\$6,260
Confidential Non-Exempt Employees - Group 1-C	Bottom	Top	Performance Pay
Administrative Analyst	\$5,160	\$6,450	\$6,620
Secretary to the City Attorney	\$4,880	\$6,100	\$6,260
Accounting Technician	\$4,325	\$5,405	\$5,540
Human Resources Assistant	\$3,285	\$4,125	\$4,220

- * The Senior Planner job description incorporates the ability to add special assignments to the Senior Planner position to manage considerably more responsible and/or more complex duties. When such duties are assigned to the Sr. Planner position a salary enhancement of ten percent (10%) is added to the salary range.